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**ARIZONA CORPORATION COMMISSION**

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**ORIGINAL**

Arizona Corporation Commission  
December 21, 2007

**DOCKETED**

DEC 21 2007

Sharon Thomas  
2600 Maitland Center Pkwy.  
Suite 300  
Maitland, Florida 32751



RE: Staff's Letter of Insufficiency and First Set of Data Requests to Talk America Inc. d/b/a Cavalier Telephone and Cavalier Business  
Docket No. T-03342A-07-0612

Dear Ms. Thomas:

On October 19, 2007, Talk America Inc. d/b/a Cavalier Telephone and Cavalier Business ("Talk America") filed an application to cancel their Certificate of Convenience and Necessity ("CC&N") to provide telecommunications services in Arizona. The Application submitted is not sufficient. This data request lists the information Staff needs to complete its analysis of your Application.

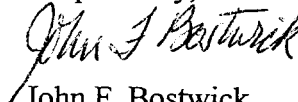
For purposes of this data request set, the words "Talk America", "Applicant", "the Company", "you", and "your" refer to Talk America Inc. d/b/a Cavalier Telephone also d/b/a Cavalier Business, any representative, including every person and/or entity acting with, under the control of, or on behalf of Talk America Inc. d/b/a Cavalier Telephone and Cavalier Business. **For each answer, please identify by name, title, e-mail address, telephone number and address each person providing information that forms the basis for the response provided.**

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please provide Docket Control with the information being requested within **10 days** of the date of this letter. Mail an Original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that the Application be terminated. If the Application is terminated, the Applicant cannot discontinue the telecommunications services that it is authorized to provide in Arizona, until such time as a new application is filed with and approved by the Commission.

Remember that information submitted concerning a CC&N will be made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If you have any questions, please contact me at (602) 542-0856. Thank you for your prompt response to this request.

Respectfully,

A handwritten signature in black ink, appearing to read "John F. Bostwick".

John F. Bostwick  
Administrative Services Officer II  
Utilities Division

Enclosure(s)

CC: Docket Control (Original and Thirteen Copies)

STAFF'S FIRST SET OF DATA REQUESTS TO  
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DOCKET NO. T-03342A-07-0612

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Please make sure each numbered item and each part of the item is answered completely. If it is not, Staff will resubmit the numbered item(s) and/or part(s) of the item in a following data request. Also, please make sure all information you provide in response to item(s) concerning this Application, including Staff's data requests, is updated and current. If you need to update your response to any item(s)/request(s), please reference the item(s)/request(s) and provide your current response(s). In order for Staff to continue with its review of this application, the following information must be submitted:

- JFB1-1 You are approved to provide resold long distance, resold local exchange and facilities-based local exchange telecommunications services in Arizona. Do you want to cancel the provisioning of all types of telecommunications services? If no, please indicate the Decision Number(s) of the telecommunications services you want to provide in Arizona. **(NOTE: You are approved to provide resold long distance in Decision No. 64084, resold local exchange in Decision No. 61537 and facilities-based local exchange in Decision No. 66788. You withdrew your Application to provide Alternative Operator Services ("AOS") telecommunications services in Administrative Closure No. 66804.)**
- JFB1-2 Please indicate the reason(s) for the proposed discontinuance of services or abandonment of service area.
- JFB1-3 Please provide a copy of the legal notice of the Application to cancel telecommunications services in all counties affected by the Application. Counties affected are those counties where the Applicant is certificated to provide telecommunications services. Refer to Arizona Administrative Code ("A.A.C.") rule R14-2-1107.
- JFB1-4 Did the Applicant ever provide resold and/or facilities-based local exchange service in Arizona? If so, please indicate the date the last resold and/or facilities-based local exchange residential customer was served in Arizona. Also, please indicate the date the last resold and/or facilities-based local exchange business customer was served in Arizona.
- JFB1-4.a Please provide evidentiary data that is undisputable that you are not serving local exchange customers in Arizona.
- JFB1-4.b Please provide the name of the telecommunications services provider(s) whose services you sold. Also, provide documentation that your account(s) with the telecommunications provider(s) is paid in full and closed.

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- JFB1-4.c Please provide the name of the telecommunications services provider(s) whom you had an interconnection agreement(s) with. Also, provide documentation that you have cancelled your interconnection agreement(s) with the telecommunications services provider(s).
- JFB1-5 Please indicate if the resold and/or facilities-based local exchange customers were notified of the Applicant's discontinuance of telecommunications services. Please provide a copy of the customer notification sent and indicate the date it was sent. If no notice was sent, please explain why.
- JFB1-6 If applicable, indicate a plan for the refund of deposits collected pursuant to subsection A.A.C. R14-2-503 (B).
- JFB1-7 Please indicate if the Applicant has ever collected advances, deposits, and/or prepayments. If so, indicate the amount of advances, deposits, and/or prepayments that have been returned to resell and/or facilities-based local exchange customers in Arizona whose services are being discontinued. Indicate the outstanding amount of advances, deposits and/or prepayments held by the company from resold and/or facilities-based local exchange customers in Arizona.
- JFB1-8 Was a list of all alternative carriers providing the same or similar service within the affected geographic area provided to the customers whose service was being discontinued or abandoned? If a list was not provided, please explain.
- JFB1-9 Please indicate if the Applicant's performance bond, if required, is still valid. Also, indicate the total amount of the performance bond. **(NOTE: If you want to authority to provide resold local exchange telecommunications services in Arizona, as granted in Decision No. 61537, please be advised that you will be required to obtain either a \$25,000 performance bond or an irrevocable sight draft Letter of Credit.)**
- JFB1-10 Please indicate the number of residential and business customers the Applicant provided service to in Arizona. Also, provide a breakdown of the number of customers receiving telecommunications services by type of service. How many customers received resold long distance, resold local exchange, and facilities-based local exchange in Arizona? **(NOTE: You reported in your 2006 Utilities Division Confidential Annual Report currently that you received revenue and provided service to zero number of residential and business customers/access lines in Arizona. You reported in your 2005 Utilities Division Confidential Annual Report currently that you received revenue and provided service to zero number of access lines in Arizona.)** How do you generate revenue in Arizona without customers or access lines?

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- JFB1-11 Please indicate if there are any affiliates of the Applicant currently offering telecommunications services in Arizona. If yes, are the telecommunications services provided by the Applicant similar to those offered by the Applicant's affiliates?
- JFB1-12 Please indicate if customers have been transferred to other telecommunications carriers. Indicate the telecommunications carriers the customers were transferred to and the number of customers in Arizona transferred to each carrier.
- JFB1-13 Please indicate the state(s) the Applicant currently operates in to provide telecommunications services to customers in Arizona.
- JFB1-14 Please identify the tariff(s) that should be cancelled as a result of cancelling the desired CC&N(s). **(NOTE: You have on file six tariffs. You filed Arizona Tariff No. 2 which relates to the provision of facilities-based local exchange telecommunications services. You filed Arizona Tariff No. 3 which relates to the provision of facilities-based local exchange telecommunications services. Both Arizona Tariff No. 2 and Arizona Tariff No. 3 are captured in the Commission's website. You filed Arizona Tariff No. 4 which relates to the provision of access and facilities telecommunications services. You filed Arizona Tariff No. 5 which relates to the provision of long distance telecommunications services. You filed Arizona Tariff No. 6 which relates to the provision of local exchange telecommunications services. You filed Arizona Tariff No. 7 which relates to the provision of AOS telecommunications services.)**
- JFB1-15 Are you providing AOS telecommunications services in Arizona? If so, please list the number of customers receiving AOS services, the date you started to provide AOS services and the current date you filed AOS reports required in Arizona Administrative Code R14-2-1011. Also, please identify the Decision No. granting you authority to provide AOS services in Arizona.
- JFB1-16 Does the Applicant have any employees in Arizona? If so, please list the number of employees by type of category (i.e. management, technical, and customer service).
- JFB1-17 Does the Applicant have any facilities in Arizona? If so, please list the number of facilities, a description of each facility, and the location of each facility.
- JFB1-18 Did the Applicant have any service contracts with customers? If so, please describe how the service contracts were honored or terminated with the customers.

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- JFB1-19 Talk America has two "Compliance Due" items pending before the Commission in Docket Nos. T-03342A-97-0243 and T-03342A-97-0129. Please contact the Compliance and Enforcement Section of the Utilities Division of the Arizona Corporation Commission to determine the items and/or issues that need to be addressed or completed to close Docket Nos. T-03342A-97-0243 and T-03342A-97-0129. Closure of these items will help to ensure quick processing of your application.
- JFB1-20 Talk America has an open Tariff - Filing item pending before the Commission in Docket No. T-03342A-04-0654. Please contact Staff assigned to this matter in the Telecom and Energy Section of the Utilities Division of the Arizona Corporation Commission to determine the items and/or issues that need to be completed to close Docket No. T-03342A-04-0654. If this item is not applicable due to your request to cancel a desired CC&N(s), please send a letter to Staff to withdraw Docket No. T-03342A-04-0654. Closure of this item will help to ensure quick processing of your application.